

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2271-01  
Bill No.: HB 996  
Subject: Waives the State's Sovereign Immunity for Purposes of federal Family and Medical Leave Act  
Type: Corrected #  
Date: April 2, 2001  
# Corrected to add footnote.

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
Legal Expense	\$0 to (Unknown)	\$0 to (Unknown)	\$0 to (Unknown)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0 to (Unknown)*</b>	<b>\$0 to (Unknown)*</b>	<b>\$0 to (Unknown)*</b>

**#\*Could exceed (\$100,000) in any given fiscal year.**

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
None			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2004</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 4 pages.

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## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of the Attorney General (AGO)** assume that their agency could handle any new cases, as a result of the proposed legislation, with existing resources. However, AGO states that the costs to the Legal Expense Fund are unknown.

Officials from the **Office of the State Courts Administrator (CTS)** assume that lawsuits filed as a result of the proposed legislation would be filed in state court, and there may be some increase in the number of cases filed. However, CTS has no way of estimating that increase at this time and do not anticipate that it would be substantial enough to require a budget increase in the courts.

Officials from the **Office of Administration - General Services/Risk Management (COA)** state that the proposed legislation may be in response to recent United States Supreme Court rulings. COA states that they have no history on such claims prior to the United States Supreme Court rulings and therefore cannot quantify a cost impact. The Office of the Attorney General would be the proper resource in regard to any litigation and litigation costs in this area.

Officials from the **Department of Conservation (MDC)** assume that the proposed legislation could have a fiscal impact on MDC funds because of the increased exposure to liability from lawsuits; however, the amount of impact is unknown.

Officials from the **Department of Transportation (DHT)** state that their agency has always complied with the Family and Medical Leave Act law, and, therefore, assume there will be no fiscal impact to their agency.

Officials from the **Office of Administration - Division of Personnel** and the **Department of Labor and Industrial Relations** assume the proposed legislation would have either no or minimal fiscal impact on their agencies.

**Oversight** assumes that the fiscal impact depends on the number and amount of judgments, against the state, resulting from lawsuits that may occur with passage of this proposal. Pursuant to this proposal, claims up to the limits established in section 537.610 RSMo can be sought. Section 537.610 RSMo states that the liability of the state and its public entities on claims within the scope of sections 537.600 to 537.650, shall not exceed two million dollars for all claims arising out of a single accident or occurrence and shall not exceed three hundred thousand dollars for any one person in a single accident. Oversight assumes any judgments against the state will be paid out of the Legal Expense Fund and have ranged those judgments from zero to unknown.

### **ASSUMPTION** (continued)

#Oversight assumes that any one judgment, in a fiscal year, against the state could exceed \$100,000.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
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# **LEGAL EXPENSE FUND**

<u>Costs - Judgments Against the State Resulting from Potential Lawsuits</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>	<u>\$0 to</u> <u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT ON LEGAL EXPENSE FUND</b>	<b><u>\$0 to</u></b> <b><u>(Unknown)*</u></b>	<b><u>\$0 to</u></b> <b><u>(Unknown)*</u></b>	<b><u>\$0 to</u></b> <b><u>(Unknown)*</u></b>
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#\*Could exceed (\$100,000) in any given fiscal year.

<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

# FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

# DESCRIPTION

This proposal subjects the state to lawsuits for violations of the federal Family and Medical Leave Act.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

# SOURCES OF INFORMATION

KLR:LR:OD (12/00)

Office of the Attorney General  
Office of Administration - General Services/Risk Management  
Office of Administration - Division of Personnel  
Office of the State Courts Administrator  
Department of Labor and Industrial Relations  
Department of Conservation  
Department of Transportation

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large, circular initial "J" and a long, sweeping horizontal stroke at the end.

Jeanne Jarrett, CPA  
Director

April 2, 2001